

REMARKS

Claims 51-54 were rejected under 35 U.S.C. 101. Claims 51-53 have been amended and claim 54 has been canceled. Reconsideration and withdrawal of the rejection are respectfully requested.

Claims 28-31, 33-40, and 42-54 were rejected as anticipated by KAORU et al. JP 09-259539 and claims 32 and 41 were rejected as unpatentable over KAORU et al. in view of HITOSHI et al. JP 2000-011546 (the Official Action incorrectly sites this as a US rather than a JP reference). Reconsideration and withdrawal of the rejections are respectfully requested.

These claims include the feature that each bit position is assigned to each channel corresponding to each speaker position. That is, the present invention reduces the amount of information necessary to indicate the speaker position by making each speaker position correspond to a respective bit position.

By contrast, KAORU et al. (which has the same assignee of the present invention and with which the assignee is familiar) provides that four (4) bits are needed to indicate a speaker position. See, for example, Figure 5 in which four bits indicate a speaker position. The invention in KAORU et al. does not disclose that each bit position is assigned to each channel corresponding to each speaker position as in the claims herein.

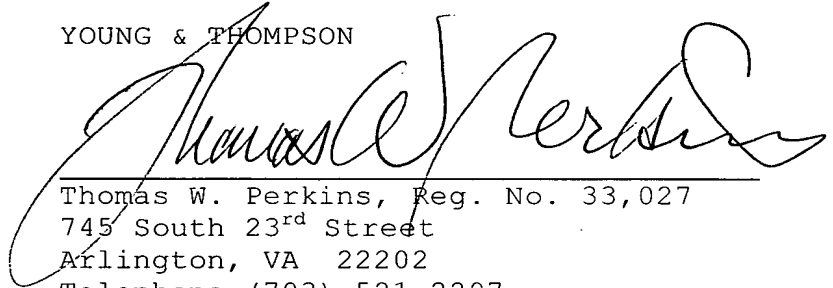
New claim 55 has been added. Support is found in Figures 4-5 and the discussion related thereto.

In view of the present amendment and the foregoing remarks, it is believed that the present application has been placed in condition for allowance. Reconsideration and allowance are respectfully requested.

The Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 25-0120 for any additional fees required under 37 C.F.R. § 1.16 or under 37 C.F.R. § 1.17.

Respectfully submitted,

YOUNG & THOMPSON

A large, stylized handwritten signature in black ink, appearing to read 'Thomas W. Perkins', is written over a horizontal line.

Thomas W. Perkins, Reg. No. 33,027  
745 South 23<sup>rd</sup> Street  
Arlington, VA 22202  
Telephone (703) 521-2297  
Telefax (703) 685-0573  
(703) 979-4709

TWP/lk